

DEMOCRACY DIALOGUE

From USAID's Center for Democracy and Governance ♦ Fall 1997



Applying Rule of Law Lessons from Latin America

by Linn Hammergren

Since the early 1980s, USAID has been promoting Rule of Law (ROL) reforms throughout Latin America. The Agency is widely recognized as having pioneered this kind of assistance, both advancing positive change and attracting additional support from a variety of national and international agencies. As a result, USAID is refining and refocusing its Latin American efforts and expanding its ROL assistance in other regions.

Can the lessons USAID learned in this kind of regional program be replicated elsewhere? How can techniques developed for one set of cultural-historical circumstances be relevant outside that environment? It is true that Latin America offered a special set of advantages. Generous funding was available. Latin Americans were already interested in curbing human rights abuses and building an independent judiciary, reform goals that matched USAID's objectives.

Though conditions in other regions are quite different in many respects, the Latin American experience offers many relevant lessons: 1) Justice reform is a long process which doesn't lend itself to reductionist solutions; 2) Over the long run reform is costly, but starting with a massive injection of funding can over-

burden the existing system; and 3) Because justice is a system, reforms must focus on an evolving equilibrium. Too little change runs the risk of being subverted by systemic forces, but too much may disturb the status quo too abruptly causing new problems. Striking this delicate balance requires constant attention and even a measure of luck.

Where USAID has effectively managed the development of an institution (i.e., the police in Haiti or El Salvador) it has often brought about dramatic improvements in their operations. But over the medium run, these

changes lead to frustrations if the rest of the system does not respond accordingly. The strategy of using a reformed institution to force changes in other institutions can work, but this will only happen if the others have the capacity to change or are willing to accept assistance in order to reform.

The Latin American experience has also encouraged some reevaluations of standard assistance techniques. Training, a major element in most programs, has been disappointing as an independent source of change. However, in combination with other elements, as a

continued on p. 7

Sharpening Civil Society's "Big Bite"

*an interview with
Gary Hansen*



Gary Hansen has served as the senior technical advisor for civil society at the Center for Democracy and Governance since 1995. He has been with USAID since 1981.

broad coalition of civil society organizations pressing for constitutional and legal reforms, and in the Philippines we are working with national civil society coalitions in advocating policies for improving the economic conditions of disadvantaged sectors, such as small-scale farming and fishing. Finally, in Central and Eastern Europe the Dem-Net project is working to enhance the role of public policy institutes as advocates in promoting political and economic reform.

DD: What are some examples of effective civil society programming?

Hansen: Some of the more interesting examples can be found in Kenya, the Philippines and Central and Eastern Europe. In Kenya, we are supporting a

DD: How did civil society evolve as a concept?

Hansen: The idea of civil society has been around for several centuries, but its more recent revival occurred in the

continued on p. 7

INSIDE THIS ISSUE

Decentralization Success.....	2
Fighting Corruption.....	3
USAID/Mongolia.....	4-5
Resolving Conflict.....	6
Civil Society Web Sites.....	6
Donors in Malawi.....	8

Local Government's Resurgence in Latin America

by Mark Schneider

Over the past two decades—perhaps beginning with the human rights movement of the late 1970s—the democratic revolution has spread from the Andes to the Caribbean to the Southern Cone to Central America and back. Today, virtually every country in Latin America can boast of a constitutional government elected to office.

What makes this democratic resurgence so unique is the rise of decentralization and elected local government. I am convinced that vigorous and democratic local government will ensure that the pendulum never swings back toward authoritarian rule.

Why am I so confident?

First, since 1990 there have been more local officials elected in Latin America than in the preceding 200 years. Most countries have now moved to direct election of mayors and city councils. Local officials no longer are extensions of centralized political power chosen by a national party elite. Now mayors and councils increasingly respond to independent power bases growing out of

a direct relationship with local citizens.

Second, the democratic transformation in the Americas is assigning greater authority and greater responsibility to local governments. Mayors and local officials now have direct responsibility for delivering services, once the responsibility of the central government.

Third, local governments have more resources than ever before. Many local governments have received sharp increases in federal revenue-sharing.

Fourth, we are starting to see public-private partnerships that link communities and the new local governments in efforts to improve government functions. And non-governmental organizations (NGOs) are being accepted by municipal governments as more efficient service delivery systems and better reflections of public opinion.

Fifth, we are starting to see horizontal linkages between local government officials. Nearly every country in the region has some sort of municipal association that provides an opportunity for municipal officials to develop an agenda for stronger local government.

These factors create a tremendous opportunity to dramatically change the structure of government in the hemisphere and the relationship between citizens and the state.

At USAID, we are committed to this movement. Nearly every USAID field mission in Latin America supports the process of decentralization and the strengthening of local government.

Field mission activities include:

- Assisting municipal associations to address common problems and lobby for policy change;
- Working in a limited number of municipalities with intensive technical assistance to improve service delivery as models for other cities;
- Promoting accountability through a USAID anti-corruption project;
- Supporting civil society by helping citizen organizations serve as watchdogs over local officials;
- Building partnerships between local governments, local businesses, and community groups.

I am convinced that local governments will reinforce the ethos of democracy in a way that ensures greater freedom and greater justice in the Americas. □

Mark Schneider is USAID's Assistant Administrator for the Latin American Bureau. He can be reached via e-mail at: mschneider@usaid.gov.

CORRUPTION PERCEPTION INDEX 1997

Based on seven international surveys of businesspeople, political analysts, and the general public, Berlin-based Transparency International (TI) devised a Corruption Perception Index ranking 52 countries on a scale of 0 (most corrupt) to 10 (least corrupt). TI cautions that the index is based on *perceptions* of corruption and does not sufficiently measure the fact that businesspeople themselves contribute to the problem:

Least Corrupt

#1	Denmark	9.94
#2	Finland	9.48
#3	Sweden	9.35
#4	New Zealand	9.23
#5	Canada	9.10
#6	Netherlands	9.03
#7	Norway	8.92
#8	Australia	8.86
#9	Singapore	8.66
#10	Luxembourg	8.61

Most Corrupt

#52	Nigeria	1.76
#51	Bolivia	2.05
#50	Colombia	2.23
#49	Russia	2.27
#48	Pakistan	2.53
#47	Mexico	2.66
#46	Indonesia	2.72
#45	India	2.75
#44	Venezuela	2.77
#43	Vietnam	2.79
#42	Argentina	2.81



Fall 1997

Democracy Dialogue is published by USAID's Center for Democracy and Governance.

Editor: Eleanor Kennelly
Assistant Editor: Dan Turello

Production: USAID's Center for Development Information and Evaluation's Research and Reference Services Project, under contract to the Academy for Educational Development.



Send correspondence to:
Democracy Dialogue
USAID Center for Democracy and Governance, Information Unit
1331 Pennsylvania Avenue, N.W. #1425
Washington, D.C. 20004
Phone: (202) 661-5828
Fax: (202) 661-5890
E-mail: ekennell@rrs.cdie.org



RESPONDA CON IV, a teleconference on fraud and corruption in government sponsored by USAID was broadcast across Latin America on September 12th. Contact Terry Tracy, editor of Accountability/ResponDabilidad at ttracy@casals.com for more information.

Targeting Corruption

by Phyllis Dininio

Where corruption guides relations between government and society, the result is inefficiency, inequity, and weak political legitimacy.

USAID works to reduce corruption as an obstacle to democracy and economic

growth. In the field, USAID missions fund such anti-corruption initiatives as training investigative journalists, supporting civic monitoring organizations, increasing transparency and oversight in government operations, recommending ethics codes, helping

reform civil service systems, promoting deregulation, and strengthening law enforcement institutions.

Most recently, USAID helped sponsor the eighth International Anti-Corruption Conference held in Lima, Peru from September 7 to 11. A USAID grant supported Transparency International (TI) as secretariat of the conference. A Berlin-based NGO, TI expanded the focus of the conference to include the role of civil society. Attendance was nearly double that of the previous conference: More than 1,200 participants from 90 countries shared ideas and experiences in Lima. □

The Lima Declaration, a call to fight public sector corruption, is on TI's web site at: www.transparency.de. Phyllis Dininio is a Democracy Fellow at the Center for Democracy and Governance.

Integrating Prosecutor and Police Programs at DOJ

by Paul Vaky

The U.S. Department of Justice (DOJ) draws from its pool of administrative personnel and 8,000-plus lawyers to help strengthen legal systems abroad through two programs: Overseas Prosecutorial Development, Assistance and Training (OPDAT) and the International Criminal Investigative Training Assistance Program (ICITAP).

The Center for Democracy and Governance has an agreement with the DOJ which allows USAID missions around the world to access OPDAT for help in conducting justice sector assessments, designing Rule of Law programs, providing technical assistance, and reviewing laws and legislation.

The agreement is called a PASA, a Participating Agency Service Agreement. In the past, OPDAT and ICITAP have been most active in Latin America but the program is available worldwide.

The OPDAT/ICITAP experience in Colombia integrating the training of prosecutors and police has demonstrated to DOJ the value of integration for administration of justice programs. To train police without equal attention to

the prosecution of cases merely introduces new frustration into the criminal justice system, i.e. improved police investigations without comparable improvement in prosecutions. But training prosecutors without improving the investigative ability of the police will also frustrate law enforcement.

In Colombia and Costa Rica, OPDAT and ICITAP coordinated their training efforts resulting in less cumbersome and more effective criminal justice processes. ICITAP began its involvement in Colombia in 1991, OPDAT in 1994. The focus of both DOJ programs has been the development of the investigative and prosecutorial capabilities of Colombian law enforcement to implement a new criminal justice system mandated by the 1991 Constitutional and Criminal Procedure Code. These legislative reforms introduced elements of an accusatory system which requires not only technical training, but a significant change in the legal mind set of police, prosecutors, and judges.

As a result, OPDAT and ICITAP agreed that to introduce an effective accusatory system it was essential to train police, prosecutors, and judges in

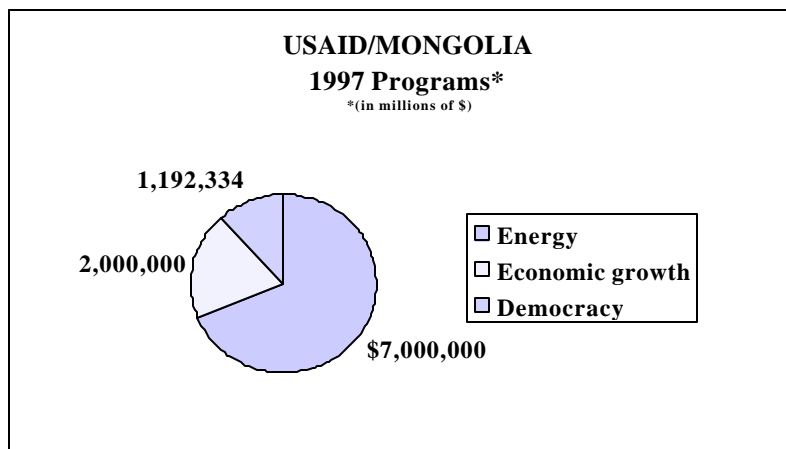
the same basic elements and that police and prosecutors should receive joint training, including an emphasis on cooperation and teamwork.

This has worked extremely well in Colombia where 14 "special units" of prosecutors and police investigators have been developed. This has helped reduce investigation time from a matter of years, to months and even weeks.

The emphasis on prosecutorial/police integration is a centerpiece of the DOJ's program in Costa Rica, using the experience of a former OPDAT resident legal advisor and the current ICITAP program manager for Colombia.

The Costa Ricans have developed investigative units of police and prosecutors to implement changes in their new Criminal Procedure Code which will take effect in January. Teamwork between police and prosecutors is also being considered for DOJ's involvement in Brazil, El Salvador, Guatemala, Honduras, Russia, the Ukraine, and Venezuela. □

Paul Vaky is an attorney at DOJ's OPDAT/Criminal Division: pvakya@justice.doj.gov.



USAID/Mongolia

Defying Cliches About Democracy in Asia

by Edward Birgells

Pastoral Mongolia is not the most obvious candidate for a democratic revolution.

A mountainous country where 40% of the population are animal herders, Mongolia was usurped by the Soviet Union in 1921 and remained utterly controlled until 1990 when demonstrations in below zero weather led to the resignation of the ruling communists, legalization of political parties, elections, and a new constitution.

USAID has actively supported Mongolia's bold transition from communism to democracy and a market economy. The country's political progress has been profound.

Free and fair elections have been held at the national level five times since 1990. A new constitution was drafted in 1992 and is being implemented. There are no political prisoners, freedom of religion is respected, and dozens of small newspapers and broadcast media express a wide range of opinions.

In the most recent parliamentary elections, in June 1996, the Democratic Union Alliance, a coalition of opposition parties, defeated the Mongolian People's Revolutionary Party (MPRP) which had been in power since 1921 and had adapted its message in 1990 to accommodate the democratic movement. The new Democratic Union government began implementing difficult economic reforms such as raising energy prices, liberalizing trade and investment policies, and quickening privatization.

In part because the economic transition has not been easy, the MPRP won local elections in October 1996 and the May 1997 presidential election.

What role has USAID played in Mongolia's democratic transition?

In 1991, USAID provided emergency food assistance and a cash transfer to help Mongolia purchase raw materials, supplies, and spare parts for the energy sector to get the country through the winter of 1991/92 after Soviet assistance was withdrawn. In 1992, USAID launched an emergency energy assistance program that continues today.

USAID has supported Mongolia's democratization efforts from the start, working largely through The Asia Foundation (TAF) and later through the International Republican Institute (IRI) and the International Development Law Institute (IDLI).

The first phase of USAID's support was designed to allow Mongolians to study other democratic systems. The second phase aimed to: 1) help expand the capabilities and professionalism of Members of Parliament; 2) develop an independent judiciary; 3) promote legal education and training; 4) establish an independent bar association; 5) promote public participation in civic affairs; and 6) encourage the participation of women in politics.

TAF activities focus on strengthening the weakest sector of Mongolia's democracy: civil society. TAF is also working to strengthen citizen-initiated

non-governmental organizations (NGOs) in the countryside and to create more links between NGOs, citizens, and government bodies.

IRI's efforts focus on establishing democratic representative processes throughout Mongolia, especially in rural areas. IRI has trained and advised all major political parties, most recently, the former communist MPRP.

IDLI is the newest addition to USAID's Mongolia portfolio. IDLI's program will concentrate on introducing legal reference books ("benchbooks") in the Mongolian language and on training judges in using them.

Another major element of USAID's Mongolia strategy has been an economic stabilization and growth program helping all areas of the Mongolian economy, from developing sound banking procedures (there was no bank system before) to advising the government on macroeconomic policies to supporting a new construction industry.

USAID's goal is to assist the Mongolians in establishing a market-led democratic society. The results so far have been remarkable. □

Edward Birgells is the USAID Representative to Mongolia. The USAID/Mongolia team recently won a USAID award for excellence.



Mongolian citizens sign petition at a 1997 rally against domestic violence sponsored by three women's NGOs.

Strengthening Civil Society From Scratch

by Nancy Yuan

The Asia Foundation's program in Mongolia has focused on support-
ing the development of civil society since 1990 when there were no independent non-governmental organizations (NGOs) in the country.

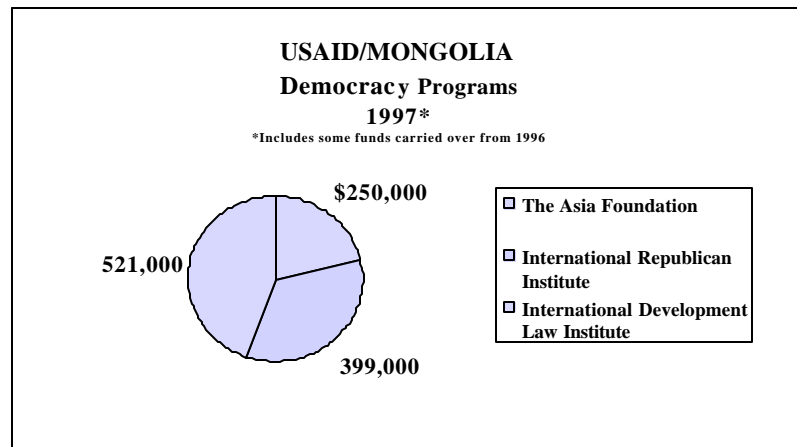
Over the past six years, The Asia Foundation (TAF), a San Francisco-based non-profit organization, has contributed to the birth of the independent NGO sector in Mongolia. TAF has supported several groups, including the Liberal Women's Brain Pool, Women for Social Progress, the Women Lawyers Association and organizations promoting public education and advocacy. TAF has also been instrumental in providing assistance in passing a new NGO Law, which promotes the development of independent organizations.

It's not just the development of NGOs that interests democracy advisors in Mongolia, but the contribution NGOs make toward the country's democratic development.

One important contribution made by the NGO sector last year, with TAF support, was a civic education campaign conducted during parliamentary elections. For the first time, informative flyers on how to vote were distributed in public places by volunteers, and candidate platforms were published and distributed widely. Both efforts were part of a series of activities undertaken by Women for Social Progress and included the publication of a citizen's guide to government; brochures on the basics of democracy, voter rights, and other issues related to citizenship; and radio and television broadcasts.

Women for Social Progress was the first NGO given access to the parliamentary archives to review transcripts of parliamentary deliberations. They were also invited to participate in drafting a new law on elections. NGOs can play a critical role in public policy formulation when the environment is favorable. □

Nancy Yuan, director of The Asia Foundation's Washington office, can be reached at: info@dc.asiafound.org



Coaching Political Parties in Mongolia

by Kristan Edmundson

Last August in Umingov, Mongolia, a small gathering of members of the former Communist Party listened intently as a young American political party activist discussed the structure of democratic political parties and how, in most democracies, party strength grows when local party organizations have the freedom and independence to organize and conduct local party activities.

Skeptical, a local party leader asked if that's how it works in the United States. "Yes," said the American, sponsored by the International Republican Institute (IRI). "In democracies, political parties have been successful when they allow local parties to conduct local politics." The local party leader replied, "Maybe that's what we need to do. Maybe it's time to make our own decisions."

Understanding the concept of local autonomy would have been impossible some months ago for a Mongolian People's Revolutionary Party (MPRP) official. Until their "surprising" loss to the Democratic Union Coalition in the June 1996 parliamentary election, there had been little effort or interest by MPRP leaders to alter the party's communist structure. Nor had there been any change in the party's platform. Although the government led by MPRP had officially accepted democracy as the national political system, the MPRP party platform officially continued to advocate Marxist-Leninism.

With the victory of the Democratic Union Coalition, the old guard of the

MPRP was pushed aside. The new leadership has begun to reform its image and ideology, but they are just beginning to address the structural challenges associated with transforming a communist party into a democratic party.

There's been an ongoing debate about whether or not donors should help former communist parties. IRI decided to do so, after MPRP made a commitment to democratic principles.

While IRI's work with the MPRP is relatively new, IRI has worked with the democratic political parties—Mongolian National Democratic Party (MNDP) and Mongolian Social Democratic Party (MSDP)—for the past six years in an effort to professionalize each party so it can participate effectively in the new political system.

In 1990, IRI offered technical assistance on coalition building, grassroots recruitment and organization, communications, message development, party structure, national organization, and fundraising. (MPRP was offered the same training, but the party's leadership declined at the time.) IRI visited every aimag (province) and over half the soums (counties) in Mongolia.

The Coalition won a surprise victory in June 1996. Now they must implement painful economic reforms. As one Coalition member said, "Campaigns are easy, governing is hard." □

Kirsten Edmundson is Program Director for Asia at the International Republican Institute: www.kedmondson@iri.org.

Resolving Conflict Through Civil Society

A Promising African NGO Gets Support

by Dennis Wendel

The nature of conflict in many parts of the world has changed.

This is particularly true in Africa where conflicts spurred by ethnic tensions, limited resources, and socio-economic inequalities have proliferated.

The cost of violent conflict on the African continent has been unfathomable in terms of death, injury and suffering. In turn, the region's economy has suffered tremendously. Despite significant progress in the resolution of

major conflicts, peace and stability remain elusive in the eyes of many Africans.

For regional, bilateral, and multilateral organizations whose principal focus has been addressing conflicts between nations, each new type of dispute presents a different challenge. Often, these organizations do not have the resources to analyze and address new conflict environments in systematic ways.

Even when a tenuous peace has been restored, underlying tensions and instabilities are symptoms of violent conflict continued in different forms. The threat of renewed violence continues to be real. Without additional efforts to develop new approaches, methods, and tools, violence will continue to proliferate on the continent.

Most needed are structures that allow peace-seeking elements of civil society to redefine conflict in non-violent terms. For this to happen, civil society must be strengthened. Organizations like ACCORD, the African Centre for the Constructive Resolution of Disputes, [see box] have developed approaches to identify, resolve, and propose solutions to conflict. ACCORD focuses on issues of power and equity which underlie many conflict environments.

In a recent agreement developed jointly by USAID's Africa Bureau, the Global Bureau's Center for Democracy and Governance, and USAID/Pretoria, ACCORD will receive support in its efforts to strengthen the involvement of civil society in the conflict resolution process.

The agreement provides for program and institutional assistance activities and includes a rapid response mechanism to address violent conflict situations. A structure allowing the development of prevention initiatives will also be developed.

USAID's support will assist ACCORD in developing a long term, Africa-wide, sustainable conflict resolution program. Finally, the agreement also provides for

the creation of an endowment for conflict resolution to be supported by bilateral donors and international organizations. □

Dennis Wendel is a member of the civil society team at the Center for Democracy and Governance. He was director of the democracy office at USAID/South Africa from 1992 through 1995. He can be reached via e-mail at:

dewendel@usaid.gov. ACCORD can be reached at: karthig@accord.udw.ac.za.

ACCORD: From Protest to Negotiation

Formed in 1992, the African Center for the Constructive Resolution of Disputes (ACCORD) is a South African NGO developed out of the need to address the conflicts, mass protests and pervasive violence which arose within South African communities during the years of the apartheid government. Initially founded with the help of a grant from the National Endowment for Democracy (NED), ACCORD has been assisted by USAID/Pretoria since 1992 to develop its institutional and programming capacity. ACCORD has worked with community and national leaders in the areas of political party development, civic activism, election staffing, youth work and police training. Its program has grown from South Africa to the Southern African region and now, beyond. One of its major objectives is "shifting the paradigm from protest to negotiation." Located on the campus of the University of Durban-Westville, in Durban, South Africa, ACCORD is affiliated with the five historically black South African universities.



DG Web Sites

Focus: Civil Society

The North-South Institute

Canada-based site investigating western support for civil society in developing countries.

<http://www.web.net/~nsi/civil/index.htm>

Johns Hopkins International Society for Third Sector Research

Academic articles and references.

<http://www.jhu.edu:80/~istr>

CIVITAS

Global network with resource-rich site.

<http://www.civnet.org>

Voice International

Clearinghouse on civil society for Central and Eastern Europe and the NIS.

<http://www.voiceinternational.org>

PACT

Coalition of American NGOs offering a civil society tool box on web site.

<http://www.pactworld.org>

Rule of Law

(continued from page 1)

means of developing an intra-institutional reform constituency, or to identify problems, training programs have provided unexpected benefits. USAID project managers and national participants are currently exploring ways to maximize these benefits and to make training in and of itself more effective.

Another area for reevaluation is the administrative capacity of institutions. Providing computer technology to organizations has been called a waste of money, yet this form of assistance can be effective. In many countries, internal management systems are weak. Despite the demand for larger budgets and more personnel, inadequate services are often the consequence of poor organization and work habits which can be improved

through information technology.

While most countries probably should spend more on justice, better administration of existing resources would increase productivity substantially and strengthen the argument for larger allocations.

A final area with unexpected benefits is the promotion of regional conferences and organizations. These are useful for exchanging experience, introducing national reformers to new ideas and techniques, and for putting pressure on recalcitrant governments.

In Latin America, the reform movement as a whole benefited when competition developed between governments to see who could implement the most effective reform. Re-

gional awareness can help compensate for inadequate political will in a single country, when leaders suddenly see themselves falling behind in the race to reform.

Many lessons in the area of Rule of Law reform were learned at considerable expense in Latin America. It would be a great loss not to cull this experience for the benefit of countries engaged in more recent democratic transitions. □

Linn Hammergren is a Democracy Fellow at the Center for Democracy and Governance. She is preparing four manuals on Rule of Law programming which will be available in early 1998. She can be reached via e-mail at: lhammergren@usaid.gov.

Civil Society

(continued from page 1)

1980s among East European intellectuals seeking to combat authoritarianism and revitalize citizen activism.

At USAID the emphasis on strengthening civil society cuts across all the sectors we work in. In the DG sector we focus on supporting indigenous civil society organizations who are pressing for reform in the service of democracy and good governance. Thus, in any one country we might be working with human rights or women's groups, professional and business associations, labor unions, religious institutions, environmental activist groups, think tanks, etc. Our assistance is designed to enhance the capacity of these groups to build constituency support and sharpen their skills in policy advocacy.

DD: What do you feel has been your greatest accomplishment working with civil society?

Hansen: I think the greatest satisfaction is to see that donors and more host governments recognize that a vibrant civil society is an essential condition of good governance. Indeed, this is the major argument of the World Bank's 1997 *World Development Report*. Our

Agency needs to take some credit here, as we were one of the early leaders in enunciating the importance of this sector. I'm also proud to have helped redefine the concept of civil society. In the early 1990s, civil society was considered something of a warm puppy, referring to groups like lunch clubs. It was important to show that civil society is more of a watch dog with a big bite, bristling at dictators.

Civil society is a watchdog with a big bite, bristling at dictators, not a warm puppy.

DD: What is the greatest challenge?

Hansen: It may be finding ways to maintain these organizations financially. Often the government does not allow financial contributions and is suspicious of these groups, and the private sector is not sure why they should care. Many societies are used to charity, but they are not sure why they should give to civil society organizations doing advocacy work. This means that often these organizations rely heavily on foreign funding.

DD: How might you try to convince a business that it is to their advantage to fund such organizations?

Hansen: Business cares about good governance. They want a system that is transparent and less corrupt, and they want good transportation systems, communications, and fewer government protected monopolies. Civil society organizations are allies in this quest.

DD: How does labor fit into civil society and USAID activities?

Hansen: Labor is a growing and dynamic sector, particularly in Latin America and Asia, where export-led growth is drawing in great numbers of new workers, many of them young women forced to work under appalling conditions, with few rights to organize on behalf of a better work environment. Because they care about expanding rights of association, labor activists are often attuned to more fundamental political reforms in alliance with other civil society organizations. We are placing more emphasis on building coalitions between labor and women's and human rights organizations. □

Coordinating Donors in Malawi

An OECD/DAC Initiative Led by the U.S.

by Andrew Sisson

Three decades of repressive one-party rule ended on May 14, 1994 when Malawians freely elected a new president. A week later, an editorial in a local newspaper said: "Malawians have been used to hearing the president threatening to feed them to crocodiles or to send them to detention where they would rot. A departure from those days is most refreshing....We should all be worrying about the arduous task of rebuilding the nation and nurturing the fragile democracy which is just beginning to emerge." (*The Nation*, 5/23/94) Worrying, rebuilding and nurturing is what Malawians have been doing since, and international donors have been working together to help with all three.

Even before the election, donors collaborated to help Malawi make the transition. In May 1992, the U.S. government, in cooperation with other donors at the Consultative Group meeting in Paris, suspended non-humanitarian aid until the deplorable human rights situation improved. Malawians mark those aid cuts as a watershed event contributing to subsequent political change. Soon after, President H. Kamuzu Banda called for a referendum on one-party versus multi-party system of government. USAID and other donors (including the United Kingdom, Germany, South Africa, the European Union, Denmark, Sweden, and the Netherlands) cofunded a comprehen-

sive electoral transition process, including a needs assessment and dialogue among Malawian leaders, as well as the referendum and 1994 election.

Since then, donors have continued their strong coordinated support for the consolidation of Malawi's young and fragile democracy. Every week chiefs of mission and donor agencies meet to candidly discuss a wide range of issues, with democracy at the top of the agenda. They often take these matters to Malawi's top political leadership. At the technical level, another group of donor and embassy representatives meets weekly to focus on democracy issues, sharing information, building consensus and coordinating programming. This technical group has, for example, taken joint field trips and prepared working papers on such topics as local elections, parliament and legal reform, which it has used for informing agency heads and designing programs.

The same donors also collaborate to promote a more positive enabling environment for NGOs.

In the past year, donors have begun collaborating on a new effort to support Malawi's democratic consolidation. Under an Organization for Economic Coordination and Development/Development Assistance Community (OECD/DAC) initiative, USAID has been coordinating a process which hopefully will result in government, civil society and donors

working together to assess progress in Malawi's democratization. □

Andrew Sisson is a Democracy Officer at USAID/Malawi.

DG Book Blurbs

World Bank Best Seller

Though it *looks* like just another development document, the World Bank's 1997 *World Development Report* has provoked quite a stir.

Why? For the first time, the World Bank explicitly links economic growth to the quality of governance.

In a fascinating departure from economics as usual, the report focuses on new questions including how to match a state's role to its actual capability and how to build a state's institutional capacity. States often attempt to extend services beyond their institutional capacity, it argues.

The World Bank report considers "good governance" to be a variable in the development process. USAID, however, goes one step further, emphasizing that *democratic institutions* are key to a well functioning government. Besides the link between good governance and sustainable development, asserts USAID, there is a fundamental link between democratic institutions and good governance.

The World Bank report appears to be heading in this direction. □



U.S. Agency for International Development
G/DG Information Unit
1331 Pennsylvania Ave, NW #1425
Washington, DC 20004

CENTER FOR DEMOCRACY AND GOVERNANCE

"... promoting the transition to and consolidation of democratic regimes throughout the world."